

07 Applied Financial Literacy

Value Added Course | 2 Credits | 30 Hours

Learning approach: Simulation-based: about 30% concept sessions and 70% simulations, games and hands-on exercises using real Indian financial products and tools.

Course Title	Applied Financial Literacy	Course Code	To be assigned by the college
Course Type	Value Added Course (VAC)	Credits	2 (theory with integrated practicals)
Programme	All undergraduate programmes	Semester	Any
Total Hours	30 (taught in a computer lab)	Hours per Week	2
Prerequisites	None	Delivered by	Industry expert (Cresca Learning)

Course Objectives

- To build practical money management skills that students will use from their first salary onwards.
- To help students understand and compare banking, credit, insurance, tax and investment products available in India.
- To develop safe financial habits and the ability to recognise and avoid financial frauds.
- To enable every student to create and present a personal financial plan.

Course Outcomes

On successful completion of the course, students will be able to:

CO	Outcome	Bloom's Level
CO1	Prepare and manage a monthly budget with an emergency fund for a realistic salary	Apply (L3)
CO2	Analyse the true cost of loans, EMIs and credit card debt using calculators and simulations	Analyse (L4)
CO3	Compute in-hand salary and income tax under the old and new tax regimes	Apply (L3)
CO4	Evaluate investment options and build a diversified portfolio suited to a goal and risk profile	Evaluate (L5)
CO5	Create a complete personal financial plan and identify common financial frauds	Create (L6)

Course Content

Unit	Title and Topics	Hours	COs
Unit 1	Money Basics and Budgeting Income and expenses; needs and wants; budgeting methods including 50-30-20 and zero-based budgeting; tracking spending with apps and spreadsheets; emergency fund; the cost of lifestyle inflation.	6	CO1
Unit 2	Banking, Payments and Credit Savings and current accounts; UPI and card safety; simple and compound interest; loans and EMIs; credit cards, minimum due and revolving credit; credit scores and credit reports; responsible borrowing.	6	CO2
Unit 3	Salary, Insurance and Tax Reading an offer letter, CTC and payslip; EPF and NPS deductions; term, health and motor insurance; claim process; basics of personal income tax; old and new regimes; Form 16 and return filing overview.	6	CO3
Unit 4	Investing and Wealth Building Inflation and the time value of money; fixed deposits, PPF, EPF and NPS; mutual funds, SIPs and index funds; equity basics; risk and return; asset allocation; behavioural biases.	6	CO4

Unit 5	Financial Safety and Planning UPI, phishing and fake app frauds; Ponzi and get-rich-quick schemes; checking SEBI and RBI registrations; grievance redressal through the RBI Ombudsman and SEBI SCORES; goal-based financial planning.	6	CO5
Total		30	

Simulation and Lab Plan

Unit	Simulation or Hands-on Activity	Tools	Student Output
1	First Salary Simulator: manage a month on a Bengaluru starting salary with random life events (rent hike, medical bill, wedding gift) and rebuild the budget	Spreadsheet with event cards	Personal monthly budget
2	Debt Trap Game: compare paying only the credit card minimum due against full payment over 24 months; EMI and loan cost comparison	EMI and credit card calculators in Excel	Debt comparison sheet
3	Payslip to Tax Lab: convert a CTC into in-hand salary and compute tax under both regimes for three employee profiles	Income tax calculator on the e-filing portal and Excel	Tax comparison report
4	Virtual Portfolio Challenge: invest a virtual Rs. 1,00,000 across asset classes and track it for the rest of the course; SIP versus lump sum experiment	Virtual trading simulator, AMFI tools and SIP calculator	Portfolio tracker and reflection
5	Fraud Buster Challenge: spot the fraud in 20 real-world messages, apps and offers; verify registrations on SEBI and RBI portals	Sample messages and regulator websites	Fraud identification score
5	Capstone: personal financial plan with goals, budget, insurance, tax and investment allocation for the next five years	Planning template	Financial plan and presentation

Practical Component

- Weekly simulation labs as listed in the Simulation and Lab Plan
- Virtual Portfolio Challenge running across the course with a final review
- Capstone: personal five-year financial plan presented to the class

Software and tools: Microsoft Excel or Google Sheets, income tax calculator on the e-filing portal, AMFI and SEBI investor tools, a virtual trading simulator, SEBI Saarthi app

Pedagogy

Simulation-led learning facilitated by an industry expert: short concept sessions followed by games, sandbox labs, role plays and case investigations using real Indian financial products. Every unit ends with a debrief linking the simulation to real-world decisions.

Assessment Scheme

Component	Marks	Total
Continuous Internal Evaluation (CIE)		40
Simulation and lab tasks	15	
Mid-term practical test	10	
Project and presentation	15	
Semester End Examination (SEE)		60
Practical examination (case-based simulation)	60	
Total		100

The CIE and SEE split can be aligned to the college's regulations.

CO-PO Mapping

CO	PO1	PO2	PO3	PO4	PO5	PO6
CO1	2	2	3	1	1	3
CO2	2	3	3	2	1	3
CO3	2	2	3	1	1	3
CO4	2	3	3	3	2	3
CO5	2	3	3	3	3	3

3: Strong 2: Moderate 1: Low. PO1: Domain knowledge PO2: Analytical skills PO3: Digital and tool skills PO4: Decision making PO5: Communication PO6: Employability. Replace with the college's Programme Outcomes.

Textbooks

- Halan, M. Let's Talk Money. HarperCollins India.
- Housel, M. The Psychology of Money. Harriman House.

References

- National Centre for Financial Education (NCFE). Financial education handbooks.
- NISM. Investor education material.

E-resources

- NCFE (ncfe.org.in)
- RBI financial education resources (rbi.org.in)
- SEBI investor education portal (investor.sebi.gov.in)
- Income Tax e-filing portal (incometax.gov.in)